

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Glen Shor, Secretary of Administration and Finance
FROM: *Joseph E. Connarton*
Joseph E. Connarton, Executive Director
RE: Commonwealth Appropriation for Fiscal Year 2014
DATE: April 16, 2013

Required Fiscal Year 2014 Appropriation: **\$1,630,000,000**

This Commission is hereby furnishing you with the allocation of the Commonwealth pension appropriation for FY14 which commences July 1, 2013. This amount reflects the funding schedule filed on January 18, 2011 as specified in Outside Section 46 of Chapter 68 of the Acts of 2011. This schedule is based on the results of the January 1, 2010 Commonwealth actuarial valuation. The FY13 allocation to each component is as follows:

State Retirement System	\$573,428,000
Massachusetts Teachers' Retirement System	935,936,000
Boston Teachers	99,532,000
Local COLA	21,104,000

The next funding schedule is due to be adopted in early 2014. Our recommendation for that schedule will reflect the January 1, 2013 Commonwealth actuarial valuation, an 8.0% investment return assumption and other revised actuarial assumptions reflecting experience studies currently in progress, recognition of any gains and losses occurring after January 1, 2010 including the remaining 2008 investment loss at that time, and plan changes under Chapter 176 of the Acts of 2011. If you have any questions, please contact PERAC's Actuary, Jim Lamenza, at (617) 666-4446 Extension 921.

cc: The Honorable Steven Grossman, Treasurer and Receiver General
Greg Mennis, Assistant Secretary for Administration and Finance
Martin Benison, Comptroller
Nicola Favorito, Executive Director, State Retirement System
Joan Schloss, Executive Director, Massachusetts Teachers' Retirement System
Daniel Greene, Executive Director, Boston Retirement System
Jim Kennedy, Budget Bureau, Boston

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